

COMMISSION DIRECTIVE

ADMINISTRATIVE MATTERS	<input type="checkbox"/>	DATE	<u>January 16, 2008</u>
MOTOR CARRIER MATTERS	<input type="checkbox"/>	DOCKET NO.	<u>2007-459-E</u>
UTILITIES MATTERS	<input checked="" type="checkbox"/>		<u></u>

SUBJECT:

DOCKET NO. 2007-459-E - Petition of South Carolina Electric and Gas Company Requesting Accounting Order Related to Municipal Fee Payments – Discuss this Matter with the Commission.

COMMISSION ACTION:

On December 20, 2007, South Carolina Electric and Gas Company ("SCE&G") filed a request for an accounting order regarding certain municipal fee payments made by the Company and passed through to its customers, and the current positive collection balances in its pre-paid accounts related to these payments.

SCE&G asks for an accounting order that would:

1. Allow SCE&G, beginning with its calendar year 2007 financial statements, to record current-year payments of municipal fees as a prepaid expense on its balance sheet and record current-year collections as "other electric or gas revenue", as appropriate, net of the amortization of the prior year prepayment; and
2. Allow SCE&G to credit the outstanding collection balances related to these fees as of December 31, 2006, to the cost of gas calculation, or the electric fuel factor calculation, as appropriate.

SCE&G states that this accounting order would allow the Company to apply the proposed accounting treatment to its calendar year 2007 books, and would avoid the accumulation of funds in prepaid accounts going forward.

As is generally the case with accounting orders, the accounting treatment would be subject to full review and reconsideration in future fuel clause proceedings, cost of gas proceedings or other rate-related proceedings.

Move that the Commission grant the Company's request for an accounting order, so as to allow the Company to close its books on time.

Furthermore, move that:

1. the Commission undertake a full review of the proposed treatment of these collection balances by granting SCE&G's request that the issue be heard in conjunction with the company's upcoming fuel cost hearing.

2. the Commission direct its staff to prepare a clearly worded supplemental notice that this request will be heard with the fuel cost hearing,
3. the Company be required to give the supplemental notice to its customers in the same manner as the original notice was given in the fuel cost hearing: by way of a bill insert, and by publishing the notice in major newspapers,

This revised notice will ensure that interested persons have the opportunity to intervene and be heard on this issue if they so desire.

PRESIDING Hamilton

Session: Regular

MOTION YES NO OTHER

Time of Session 2:30 PM

CLYBURN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FLEMING	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HAMILTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HOWARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
MITCHELL	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
MOSELEY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
WRIGHT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

APPROVED _____
 APPROVED STC 30 DAYS _____
 ACCEPTED FOR FILING _____
 DENIED _____
 AMENDED _____
 TRANSFERRED _____
 SUSPENDED _____
 CANCELED _____
 SET FOR HEARING _____
 ADVISED _____
 CARRIED OVER _____
 RECORDED BY T. DeSanty